



Standards  
& Testing  
Agency

# Standards and Testing Agency Framework

**July 2018**

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## Ministerial foreword

I am delighted to introduce the revised framework for the Standards and Testing Agency, an executive agency of the Department for Education. The agency performs a key role in support of the government's aims of raising standards and narrowing attainment gaps between pupils from wealthier and poorer backgrounds, providing the robust and fair external assessment system through which we will measure pupil progress and holding schools to account.

Since the agency was established in October 2011, it has successfully delivered against its objectives. These include delivery of the key stage 1 tasks and tests to inform teacher assessment, key stage 2 tests, the phonics screening check, and more recently, the general qualifications logistics contract and the professional skills test contract.

Going forward, the agency will be delivering the reforms set out in the 2017 primary assessment consultation response, including overseeing the development of a new reception baseline assessment, the multiplication tables check and arrangements for pupils working below the standard of the national curriculum tests (following the Rochford Review).

I wish the agency every success as it continues with this vital work.

A handwritten signature in black ink, reading 'Nick Gibb'.

Rt Hon Nick Gibb MP

Minister of State for School Standards

## Introduction

1. The Standards and Testing Agency is an executive agency of the Department for Education, created in 2011.
2. The agency does not have a separate legal identity from the department. However, its Chief Executive Officer is the Accounting Officer. As such, he or she will be accountable to Parliament for the agency's use of resources in carrying out its functions as set out in this framework.
3. The agency has responsibility, on behalf of the Secretary of State for Education, for the development and delivery of statutory assessment and testing in England under statutory instruments. The agency is also responsible for the development and delivery of the professional skills test for prospective teachers and the 'yellow label' logistics service for general qualifications.
4. This framework sets out the arrangements for the governance, accountability, financing, staffing and operation of the agency, agreed between the Secretary of State, the Director General for Education Standards and the Chief Executive of the agency, and approved by Her Majesty's Treasury (HMT).
5. This framework and the operation of the agency will be reviewed under arrangements agreed between the Secretary of State and the Chief Executive.
6. Any amendments to this framework must be agreed by the Secretary of State and the Chief Executive, and by HMT. Any departure from the provision of this framework must be agreed in writing on a case-by-case basis between the Secretary of State, or delegate, and Chief Executive, and an HMT minister, if appropriate.
7. Any questions concerning the interpretation of this framework will be resolved, if possible, by agreement between the Chief Executive and the Director General with responsibility for the agency and, in default of agreement, will be referred for decision to the Secretary of State.

## Aims and objectives

8. The agency's primary purpose is to provide an effective and robust testing, assessment and moderation system to measure and monitor pupils' progress through primary school, from reception to the end of key stage 2 (KS2).
9. We are responsible for the development and delivery of national curriculum tests and assessments in England, under statutory instruments, on behalf of the Secretary of State for Education.
10. In carrying out these functions we:
  - develop high-quality and rigorous national curriculum tests and assessments, in line with government policy
  - undertake operational delivery of national curriculum tests and assessments (including printing, test administration, distribution, provision of systems, marking and data capture and investigations of maladministration)
  - set and maintain test standards, including standards related to marking
  - produce test and teacher assessment administration guidance and exemplification materials for key stage 1 (KS1) and KS2 English writing teacher assessment
  - support the moderation of teacher assessment judgements of pupil performance, so the data it generates is reliable and can be used for national statistics and in school accountability measures
11. STA's Chief Executive has a specific, fully delegated role with respect to test standards and standard setting and maintenance. The Chief Executive signs off the content of the national curriculum tests and the setting and maintenance of standards, acting independently of the department and ministers, to ensure confidence in the validity of test outcomes.
12. In addition to the development and delivery of national curriculum assessments and testing in England, STA is also responsible for:
  - supporting schools to develop their own practice under the new assessment freedoms
  - managing the development and delivery of the professional skills test for prospective teachers
  - managing the general qualifications logistics service provided to exam centres and examiners, which collects exam scripts from schools and delivers them to awarding organisations for marking
  - managing assessment arrangements for those pupils working below the standard of national curriculum tests

13. The agency will publish a business plan setting out its annual and longer-term strategic objectives as agreed with the Secretary of State at the start of each financial year.

## **Roles, responsibilities and governance**

### **Permanent Secretary (Principal Accounting Officer)**

14. The Permanent Secretary's responsibilities as Principal Accounting Officer include:

- ensuring that the department, including the agency, uses its resources efficiently, economically and effectively
- ensuring that the agency conforms to departmental and government policy
- being satisfied that the agency (as with the department as a whole) has adequate financial management systems and procedures in line with government standards, operates with propriety and regularity, and is using its funds for the purposes intended by Parliament

15. The Principal Accounting Officer has designated the Chief Executive as Accounting Officer of the agency.

### **Director General for Education Standards**

16. The Secretary of State has asked the Director General for Education Standards to take responsibility for oversight of the agency and to line manage the Chief Executive. In doing so, the Director General will support the work of the agency by:

- setting the budget and agreeing the long-term and annual performance objectives and the strategic performance and management framework
- monitoring and challenging the agency's performance against these objectives (including financial performance, risk management and forward planning)
- advising ministers, the Permanent Secretary and the Chief Executive on the agency's performance
- ensuring that the agency has the overall delegations and authorities it needs for effective delivery and continuous improvement
- ensuring that the agency is engaged in departmental policy developments that affect it and is consulted in a timely way on government-wide policy developments

### **Chief Executive**

17. The appointment of the Chief Executive is overseen by the Civil Service Commission, with the process chaired by a commissioner and the appointment made on merit. Chief Executive remuneration will be agreed in accordance with the performance and reward arrangements for members of the Senior Civil Service.



18. The Permanent Secretary, as Principal Accounting Officer, will designate the Chief Executive as Accounting Officer for the agency. The Chief Executive will be accountable to the Permanent Secretary and to Parliament for those responsibilities, which are set out in an appointment letter and in HMT and Cabinet Office guidance.

19. The Chief Executive is responsible for:

- safeguarding the public funds for which he or she has delegated responsibility
- ensuring propriety, regularity, value for money and feasibility in handling those public funds
- the performance, leadership and day-to-day management of the agency

20. Ordinarily, the Director General for Education Standards will perform an oversight role on behalf of the Secretary of State and Principal Accounting Officer. They may also raise matters of concern with one another directly, as necessary. The Chief Executive will meet with the Minister of State for School Standards to advise on progress and issues as necessary.

21. The Chief Executive's responsibilities include:

- effectively implementing the strategic policy set by ministers
- preparing the agency's business plan and annual report and accounts
- efficient and cost-effective management of the agency so it achieves its objectives and targets within the financial parameters set out in the delegation letter (this is issued annually and supported by departmental and HMT guidance)
- effective leadership and management of the staff of the agency
- ensuring robust financial planning and a full understanding of the costs of the agency's activities
- reporting regularly to the Permanent Secretary, via the Director General for Education Standards, on agency delivery performance, finance, risk management and forward planning
- informing senior officials and/or ministers of any novel or contentious issues which could give rise to substantial media, public, parliamentary or ministerial concern
- ensuring that the agency and any providers it commissions comply fully with all relevant legislative and corporate governance arrangements

22. The Chief Executive has a specific, fully delegated, role in relation to test standards and standard-setting for national curriculum tests. In this role, the Chief Executive will:

- sign off the content of the national curriculum tests, acting independently of the department and ministers

- sign off the standard-setting process, acting independently of the department and ministers
- consider personally advising ministers in the event of any parliamentary questions or other issues arising in relation to test standards and standard-setting

23. The standard-setting process includes reviewing judgemental and statistical evidence, in the presence of Ofqual and representatives of teacher associations. Ofqual monitors standards maintenance as part of its wider regulation of national assessments, in line with its regulatory framework. Ofqual is independent of ministers and accountable directly to Parliament. Its statutory duties include notifying the Secretary of State of any likely significant failings in national assessments.

## **External support and challenge**

24. The department will put in place arrangements to provide the Chief Executive with additional support and challenge. One of the department's non-executive directors will have oversight of the agency, although this will remain under review.

25. An external expert with relevant experience who is independent from any commercial conflict will provide support and challenge to both the Chief Executive and the Director General for Education Standards on an on-going basis. The skills specification for this expert will be agreed between the Director General and the Chief Executive, and the appointment will be approved by the department's leadership team (a sub-committee of the department's board).

## **Governance**

### **The executive management board**

26. The agency will have an executive management board (EMB) chaired by the Chief Executive. Senior officials from within the department's Education Standards Directorate will attend as appropriate. They will be excluded from discussions on test standards and standard-setting, to maintain the agency's independence in this area.

27. The EMB is responsible for developing and monitoring the strategic planning of the agency. It oversees corporate performance, the use of financial and human resources, provides oversight of risk management, and ensures maintenance of a sound system of internal control which includes adequate sources of assurance that internal controls and risk management processes are working effectively. The EMB is additionally responsible for ensuring that the agency is compliant with all policies and corporate business planning.

### **Department for Education board**

28. The departmental board provides strategic and operational leadership for the department, with a major emphasis on monitoring progress against the departmental business plan. The board is supported by 3 committees, which ministers do not attend:

- The leadership team committee ensures that the department is as effective as possible in delivering its business and government policy. It sets the direction for the department's organisational strategy and business plans, and provides the day-to-day executive leadership and management of the department.
- The implementation committee supports and advises senior responsible officers and other senior managers in addressing complex implementation challenges. Doing this helps it advise and give assurance to the board on delivery of the department's strategy.
- The performance, risk and resourcing committee is responsible on behalf of leadership team for regular oversight of the department's top-tier risks, major programmes and projects, higher risk core business and financial management and investment.

29. The agency's work will feature in the Director General's regular reporting to the board as part of their work portfolio. The Chief Executive may be asked to attend any board to answer questions about the agency's work.

### **Strategic performance reviews**

30. The Director General for Education Standards will hold strategic performance reviews with the Chief Executive, the relevant non-executive director, the department's

finance lead for the agency and the appointed external expert. These meetings will be at least quarterly and will cover the agency's delivery performance, expenditure, risk management and forward planning.

## **Performance risk and resourcing committee**

31. The agency will report to, and be scrutinised by, the department's performance, risk and resourcing committee (PRRC). PRRC is a sub-committee of the department's board which provides scrutiny and challenge of key delivery programmes and risk areas within the department. PRRC will make recommendations to the principal accounting officer and the board on the agency's risk management.

# **Accountability to Parliament**

## **Parliamentary committees**

32. The Chief Executive and the Permanent Secretary may be asked to appear before the Public Accounts Committee concerning their respective accounting officer responsibilities.

33. The Chief Executive may be asked to represent and answer for the Secretary of State at hearings of parliamentary committees when operational matters concerning the agency are discussed.

## **Parliamentary Commissioner for Administration**

34. The Agency is subject to the jurisdiction of the Parliamentary Commissioner for Administration (PCA). Cases may be referred to the PCA by an MP once the department's complaints procedure has been exhausted.

35. The Permanent Secretary is the department's principal officer for the purposes of PCA referrals. He or she delegates the responsibility for handling any matters concerning the agency to the Chief Executive through this framework.

## **Parliamentary questions and parliamentary correspondence**

36. The Chief Executive, or nominated representative, will advise ministers on parliamentary questions and parliamentary correspondence addressed to ministers as required on all standards and testing delivery matters. The Chief Executive and other agency staff may also respond directly to correspondence addressed to the agency from an MP or peer on matters concerning marking and standard-setting. The agency and policy teams will work closely on responses to parliamentary questions and correspondence.

## **Fulfilling the accounting officer role**

37. As accounting officer, the Chief Executive is personally responsible and accountable to Parliament for:

- propriety and regularity
- value for money
- efficient and effective use of available resources
- the organisation and management of the agency

38. The agency's accounting officer is required to provide assurance that the agency's funds are used for the purposes intended by Parliament and are properly accounted for.

The accounting officer must also confirm that the agency has an effective and appropriate system of internal control in place. That assurance will be provided through the agency's statement on internal control which must be signed annually by the accounting officer.

## Financial management and reporting

### General accounting rules

39. The agency is subject to public expenditure controls. It must also adhere to the rules and policies laid down by the department and by HMT in 'Managing Public Money', 'Consolidated Budgeting Guidance', 'Financial Reporting Manual' and other accounting instructions, where applicable.

### Funding allocation

40. The Secretary of State agrees the budget and resource allocation for the agency on the advice of the Director General for Education Standards. This is part of the departmental annual business planning or spending review process.

### Delegations

41. The Principal Accounting Officer will delegate responsibility for all financial matters relating to the delivery of standards and testing to the Chief Executive (as agency accounting officer) in a formal delegation letter. The agency will operate within the limits confirmed in the letter, which will be reviewed at least annually.

42. The Chief Executive is accountable for expenditure incurred within the agency in delivering its services and any income it receives. Provided they are within the provision of the delegation letter and this framework, and are consistent with the agency's strategic and business plans, the Chief Executive has the right to:

- approve all items of expenditure or use of receipts
- write off losses and make special payments

43. This delegation is subject to the financial delegations, controls and approval processes set by the department, HMT and the Cabinet Office.

## Financial management and reporting

44. Monthly financial management reports will be provided as part of shared services provision. The Chief Executive will approve the report for submission to the department's executive management board.

45. The Chief Executive is responsible for raising concerns should the agency's management information and accounting systems not allow for detailed and effective control over its use of resources. The department's Director of Finance and Commercial Group will work with the agency to ensure it can comply with its financial responsibilities.

## **Annual report and accounts**

46. As part of shared services provision, the department's finance team will prepare the annual report and accounts in accordance with the guidance and accounting policy set out by the Cabinet Office and HMT. The Chief Executive, as accounting officer, is responsible for signing the agency's annual report and accounts and the governance statement and passing them to the Comptroller and Auditor General for external audit.
47. PRRC will provide independent advice and challenge in relation to the accounts.
48. The annual report and accounts will be prepared according to an agreed timeline. It will be submitted to the Secretary of State following endorsement by the Permanent Secretary and the Director General of Education Standards Directorate. The report and accounts will form part of the whole of government accounts return for the departmental group.
49. The Secretary of State will lay the annual report and accounts in Parliament.



## **Audit and assurance**

### **Internal audit**

50. The agency will receive internal audit and assurance services from the Government Internal Audit Agency (GIAA). The agency will be included in any cross-department compliance and themed audits, where relevant. Additional advice and guidance consultancy services are also available.

51. Work will be carried out in accordance with the Government Internal Audit Standards, the Institute of Internal Auditors Code of Ethics and relevant legislation.

### **External audit**

52. The Comptroller and Auditor General will, in line with an audit timetable agreed with the department:

- conduct a financial audit of the agency's accounts
- examine the regularity and propriety of transactions
- give an opinion on the accounts and transactions to Parliament
- on occasion, carry out investigations into the value for money of agency spending

53. The Comptroller and Auditor General will have access to any books and records of the agency. This is so that they can:

- follow up any concerns over matters of regularity and propriety
- carry out examinations into economy, efficiency and effectiveness with which the agency has used its resources in discharging its functions

## **Risk management**

54. The agency will develop and maintain a risk management process that is consistent with the department's risk management policy and principles of good risk management. The agency will share risk information with the department. It will also notify the department of risks that need, or may need, action by the department as part of its ongoing joint working.

## **Risk and security committee**

55. The agency's risk and security committee's (RaSC) role is to review the risks and live issues managed by each of the agency's programme and project boards, review the agency's management of the department's key risk on primary assessment that it is

responsible for, and provide oversight of the agency's security arrangements. The RaSC meets monthly and its objectives are:

- through targeted challenge and scrutiny of the agency's key risks and issues, to improve the identification, ownership, controls, active management and impact of risks
- through review and challenge, to reduce the incidence, and improve handling, of unexpected issues and near misses
- to ensure risks and issues across the range of the agency's responsibilities are managed in accordance with the departmental strategic risk management framework

## **Standards and Testing Agency staff**

56. All staff working in the agency are civil servants employed by the Department for Education on departmental terms and conditions of service (subject to harmonisation). As such, posts in central department functions and the department's executive agencies are open to all departmental staff.

57. The agency will follow Civil Service and departmental human resources policies and guidance.

## Shared services

58. A number of corporate functions will be provided as a shared service across the department reflecting the department's operating model. The quality of service provision will be reviewed at regular intervals. Any issues will be discussed between the Chief Executive and the director responsible for the relevant shared service.

## Human resources

59. The department's HR Group will be responsible for the delivery of HR services to the agency. This includes providing advice and guidance on matters such as training and development, performance management, case work and recruitment/brokerage advice. In addition, the agency will be able to call on the services of Education Standards Directorate's dedicated HR business partner for advice at a strategic level.

60. On behalf of the agency, the department's HR Group will also manage those elements of the HR service which are provided by third parties. This includes, for instance, payroll (provided by the Department of Work and Pensions) and administration of pensions (provided by the Cabinet Office), occupational health and childcare funding.

## Estates and facilities management

61. The department's Property Asset Management Unit (PAMU) will deliver estates and facilities management services to the agency and will also manage those elements of the facilities management service which are provided by third parties.

62. Where appropriate, services will include:

- health and safety management
- cleaning
- security
- helpdesk
- building maintenance
- reprographics
- mail delivery and distribution
- catering services
- the disaster recovery component of business continuity planning

63. The agency will adopt the department's flexible workspace policy.

64. PAMU will seek to run and maintain buildings to high environmental standards with environmental management programmes in place and sustainability being a key component of the building maintenance and operation regime.

## **Communications**

65. The department's Communications Group will provide communications activity and services including:

- media handling
- digital, web and social media communications
- strategy and insight
- publishing
- correspondence and call handling for public enquiries

66. Communications for the agency will be planned and co-ordinated in line with agency and departmental priorities set out in their respective business plans.

67. The agency's communications team will represent the agency's interests. They will liaise between the Chief Executive, management and operational teams and the Communications Group, to plan and execute the agency's corporate and strategic communications and ensure fair access to the communications shared service.

68. The agency will be responsible for the management and delivery of operational communications which are required to carry out the core business of testing and assessment.

## **Finance and procurement**

69. The department's Operations Directorate will provide professional finance and commercial services, including provision of heads of profession for finance and procurement. This is to ensure the agency has the commercial skills and capability that it needs. Operations Directorate will set finance and commercial policy and standards for the department as a whole, including the agency.

70. Financial management support for the agency will include production of the agency's statutory annual report and resource accounts, board reporting, financial accounting, management accounting and budget loading. Operations Directorate will consolidate the agency's annual report and accounts into the department's whole of government accounts return.

71. Operations Directorate will provide procurement policy and procurement advice to the agency as well as procurement support for the agency's major procurements. In addition, Operations Directorate will ensure that the agency has access to deals for

common goods and services either from the department's own deals or by providing access to the Government Procurement Service deals. Where necessary, Operations Directorate will put in place bespoke deals for the agency.

72. Operations Directorate will provide advice on governance, propriety and regularity, and wider data and information solutions and processes through a dedicated finance business partner.

73. All processing of finance and commercial transactions will be provided by the Single Operating Platform system. As part of the department, the agency will be covered by the department's assurance processes with DWP shared services.

74. The department's Business Insight and Reporting team will interrogate the resource management system and provide routine workforce reports and analysis covering the agency.

## **Legal services**

75. The Legal Adviser's Office (LAO) will provide the agency with flexible, timely and high quality legal services to enable it to operate effectively within the law, achieve best legal outcomes and minimise legal risk. These services involve legal advice on operational issues, enhancing the legal awareness of staff and supporting the procurement, management and quality assurance of external legal services.

76. The Legal Adviser's Office and the agency will work in partnership to maximise the value for money of legal services. Service provision is specified in a memorandum of understanding between the LAO and the department.

77. Legal advice is also available from the Government Legal Department.

## **Information, communication and technology services**

78. All IT services, ranging from core services to bespoke services, are developed in conjunction with the agency. Agency staff will receive the same level of service as other departmental staff.

79. The Digital and Technology Group will work with the agency to agree the arrangements for service delivery and supplier relationships. The group will appoint an agency business partner to manage and oversee these arrangements.

## **Internal audit and assurance**

80. The internal audit service will be provided by the department as described in paragraphs 50 and 51 as part of the shared service programme. In providing this service the Internal Audit Unit will have unrestricted access to the agency's staff, documents and records. It will be the responsibility of the Chief Executive, as the agency's accounting officer, to agree the audit programme for the agency with the Head of Internal Audit.



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About this publication:

enquiries [www.education.gov.uk/contactus](http://www.education.gov.uk/contactus)

download [www.gov.uk/government/publications](http://www.gov.uk/government/publications)

Reference: STA/18/8183/e

ISBN: 978-1-78644-943-6



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